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Latin America Review

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15 February 1985*

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**Latin America
Review**

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Articles have been coordinated as appropriate with other offices within CIA. Comments and queries regarding this publication may be directed to the Chief, Production Staff, Office of African and Latin American Analysis.

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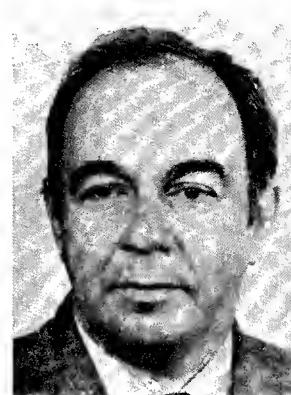
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Articles

Cuba: Frictions Within the Leadership

Recent policy shifts caused by mounting economic pressures appear to have encountered resistance within the Cuban leadership, but it is clear from President Castro's statements and actions that he will not be deterred from implementing remedial economic measures that include improved ties with the West. An unusual special plenum on 31 January of the party's Central Committee "fully approved and gave its highest evaluation to Castro's untiring and creative activities" in the formulation and execution of foreign policy, according to the Cuban media. We believe Castro convoked the plenum, only a month after the regular semiannual plenum in December, to obtain institutional backing for his policy shifts and used the occasion to declaw his opposition. His actions against ideological hardliners appear to confirm our belief that pragmatists are once again becoming predominant in the Cuban leadership.

The plenum announced that staunch hardliner Antonio Perez Herrero, party Secretary for Ideology and an alternate member of the ruling Politburo, was "released" from both positions for unspecified "deficiencies and repeated mistakes" in his Secretariat duties. Given the circumstances of his ouster, we believe that Perez Herrero probably resisted Cuba's opening to the West on ideological grounds, presumably arguing that the regime was turning "soft" on imperialism. One of Perez Herrero's top aides, Orlando Fundora, chief of the Central Committee's Revolutionary Orientation Department, also was removed and given a lesser assignment. Perez Herrero and his aide controlled virtually all of the Cuban media, which may now adopt a more constructive approach in keeping with a new conciliatory foreign policy line.



Antonio Perez Herrero

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The following day, Castro personally chaired a special plenum of the party provincial committee in the City of Havana Province, to "relieve" the committee's first secretary, hardliner Julio E. T. Camacho Aguilera, of his duties in the capital. Camacho Aguilera was reassigned to the post of party first secretary in Santiago de Cuba Province. Unlike Perez Herrero, Camacho Aguilera apparently retains his seat on the Politburo. From his post on the other end of the island, however, it will be difficult for him to attend regular Politburo sessions in the capital, and his influence in its deliberations is almost certain to be diminished.

Reemergence of the Pragmatists

These changes supplement other signs that the hardliners in the leadership—mostly officers in the military, and the security and ideological apparatus—are increasingly being overshadowed by a more

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pragmatic group of officials whose responsibilities lie mainly in the economic area. A similar shift away from the hardliners occurred in 1968, ushering in a period of pragmatist predominance that lasted almost a decade. We believe that then, as now, Moscow's pressure on Castro to put his economic house in order was a major factor in enhancing the pragmatists' position. The hardliners reclaimed their predominant position during the late 1970s as a result of Cuba's military efforts in Angola and Ethiopia and the Cuban-assisted victory of the Sandinistas in Nicaragua. Nevertheless, the pragmatists, headed by Vice President Carlos Rafael Rodriguez, continued to argue for expanded ties with the West to earn hard currency, gain access to Western technology, and increase Cuban political influence in Western capitals.

To undercut hardliner criticism, Rodriguez in late 1981 resurrected the party's quarterly theoretical journal *Cuba Socialista*. Publication of the journal was halted in February 1967 because its articles proved to be too divisive. Rodriguez wrote the feature article—entitled "Strategic Fundamentals of Cuban Foreign Policy"—in the first issue of the renewed journal. He used extensive quotes from the works of Lenin to justify the expansion of Cuban diplomatic, commercial, and cultural contacts with the West. Rodriguez asserted that such contacts could be used to exploit rivalries and differences among Western nations and ultimately split the United States away from its allies. The hardliners could hardly find fault with a policy line that seemed to be drawn from the mouth of Lenin, especially when it specifically acknowledged the United States as Cuba's prime enemy. Moreover, the reappearance of a journal linked historically to ideological debate was an indication that not only did policy disagreements exist within the leadership, but that Castro himself was ambivalent on certain issues.

Another sign of top-level disagreement appeared in 1983 and seemed to confirm Castro's ambivalence. As a way of encouraging increased agricultural production, a "free market" system was established whereby farmers could sell whatever they produced in excess of their quota specified by the state. The profit motive worked too well. Production was indeed boosted, but middlemen materialized to market the

farmers' surplus produce, prompting the hardliners to call for a crackdown. While the plan obviously had Castro's prior approval, he personally took to the podium to denounce the ideological error and announce changes in the system to guard against any further recrudescence of the middleman. Nevertheless, the pragmatists were able to retain the material incentive for the farmer.

By the end of 1984, the pragmatists' position within the leadership apparently had become even stronger. A law was proposed—and quickly passed by the National Assembly in December—that sought to alleviate Cuba's critical housing shortage by allowing renters to purchase their houses from the state and permitting homeowners to rent out portions of their houses to others. This open encouragement of a landlord class has yet to draw any public criticism from the hardliners.

Castro's activities during January—his conciliatory statements in Managua to Contadora foreign ministers and other foreign representatives, his red-carpet treatment for three US Congressmen, his dialogue with three US Catholic bishops, and his lengthy interview with editors of *The Washington Post*—underscore his intention to reduce frictions with the United States. These contacts may have taxed the ideological sensitivities of staunch hardliners such as Perez Herrero. The nature of Perez Herrero's resistance is not known but it was offensive enough to Castro to cause him to remove Perez Herrero from the two most influential elements of the party. The Central Committee statement of 31 January lauding Castro's efforts apparently was issued to address directly and give full approval to the Cuban leader's politicking earlier in the month. This need to gain institutional backing for his "untiring and creative" foreign policy activities implies that Castro's conciliatory attitude was the source of friction with Perez Herrero.

Outlook

The actions taken against Perez Herrero, Fundora, and Camacho Aguilera, are certain to be recognized throughout Cuba as warning to other bureaucrats not

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to oppose Castro's new policy shifts. Those in the leadership who are of like mind with Perez Herrero probably will mute their criticism and, at least for the moment, accept the pragmatists' predominance. They are aware that a new Central Committee will be selected at the Third Party Congress in December and that their behavior during the coming months will have a major impact on their chances for membership in the new organ. For the time being, Castro will continue to promote his opening to the West in hope of resolving some of Cuba's economic woes.



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Cuban Aid Programs in Africa: Incompetent Internationalism

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Cuba has made a concerted effort since the early 1960s to foster ties with Third World countries—with a special focus on Africa beginning in the early 1970s—by providing them with a variety of civilian and technical aid programs. Although Havana claims that such efforts are examples of selfless commitment to “international proletarianism,” the primary goal is to strengthen Cuban influence with these countries. The efforts to promote “revolutionary solidarity” have backfired in several cases when aid has been provided without sufficient planning or regard for the needs of the recipient country. Moreover, some countries have complained about the quality and cost of Cuban assistance programs.

The Programs

The aid programs—most in the form of civilian advisory assistance—involve approximately 13,000 Cuban civilians serving in some 20 African countries. Havana traditionally has gained a foothold in these countries by providing medical and educational aid, as well as assistance in construction, agriculture, and other technical areas. The Castro regime also has capitalized on the instability of new regimes by offering military and security advisers and intelligence training.

In addition to the goal of achieving greater international influence and enhancing Castro’s image as a Third World leader, the aid programs are designed to bring other benefits to Cuba. Chief among these is the regime’s intention to maintain a sense of revolutionary mission among young people who did not participate in Cuba’s guerrilla struggle by sending them on “internationalist” missions.

The programs provide economic benefits to Cuba. Exporting workers relieves domestic unemployment and allows the personnel, particularly military advisers, to gain experience. Moreover, some of the assistance programs provide desperately needed hard currency. Algeria and Libya, for example, are

charged for Cuban assistance—we estimate between \$7,200 and \$12,000 per person a year. In some cases, the host country has reportedly paid for the workers’ equipment, airfare, and lodging as well as personal spending money.

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Although the aid programs are generally successful, there have been problems. Several recipients have complained about the quality and cost of the assistance, and have claimed that Cuba fails to address adequately the real development needs of their countries. Cuban behavior has also been a source of friction, with charges of assaults by Cuban cooperants upon local women and livestock.

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Havana apparently has sent ill prepared and unequipped personnel to work in Africa and, at times, has attempted to control the day-to-day running of the aid programs. Moreover, host country complaints indicate that the Cubans often fail to consider cultural differences.

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III-Prepared Medical Teams

The eagerness to send large numbers of medical personnel overseas has led to some failures in meeting the specific needs of the recipient country. Officials in Mali, for example, have complained about Cuba’s medical assistance.

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Cuba sent a team of 11 medical personnel—three general practitioners and eight nurses and technicians—to Mali, but was unwilling to satisfy Mali’s request for badly needed specialized medical aid in the outlying provinces.

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Burundi officials also have been dissatisfied with the quality of Cuban medical assistance and Havana’s failure to provide needed specialists. When the first medical team arrived there in 1980, the Cuban Ambassador insisted that the doctors and nurses be

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Cuban and Guinea-Bissauan officials sign cooperation agreement paving the way for Cuban internationalists' presence. [redacted]



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placed in pairs because they had not served outside Cuba before. The training and experience of doctors and nurses were often incompatible, however, which severely diminished the quality of their work. Burundi apparently was not satisfied with the program, as the last medical team left in early 1984 and has not been replaced. [redacted]

[redacted] Castro's emphasis on increasing the number of medical graduates has resulted in a government policy in which quantity takes precedence over quality in medical training. Havana's emphasis on the mass production of doctors has led to lower examination standards, and, as of mid-1984, medical students needed only a 70-percent average on their tests to graduate as a general practitioner. [redacted] at least one of the medical teams sent to Burundi was made up solely of students. Moreover, the Cuban Embassy did not provide the Burundi Government with the promised curriculum vitae in advance on each of the workers to verify his qualifications. [redacted]

Cuban "internationalists" often are handicapped by their inability to speak the host country's language, making the advisers' task impossible. In Seychelles

three Cuban doctors were asked to leave within two months of their arrival because they could speak neither French nor English. [redacted]

[redacted] In another instance, Cuban technical and medical personnel stationed in Burundi spoke no French, according to US Embassy reporting.

[redacted] just as the doctors were becoming proficient in the language, they were replaced by a new group with no capability in the host country's language. [redacted]

Havana's Pressure Tactics

Havana also has created frictions with African nations by attempting to use aid programs as a mechanism for influencing the host country's internal politics. [redacted]

[redacted] while Angolan officials favored private-sector involvement in agriculture, Havana pressed Luanda to assume complete state control of agricultural production—a concept supported by Cuban advisers working in the Angolan agricultural sector. Moreover, Cuban officials pressed the Angolans to permit them to assume direct

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Cuban doctors in Ethiopia

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management of the entire Angolan sugar industry. The Angolans—mindful of the time in the late 1970s when Cuban workers in the Angolan sugar industry were asked to leave and stripped two sugar mills of equipment and fixtures on their way out—firmly rejected Havana's proposal. The Angolans said they would accept Cuban technicians only on the condition that they be supervised by Angolan managers, and the Cubans eventually agreed to this limitation. The Cubans were also pushing the Angolans into accepting their offer to provide paramilitary training to peasants and arming agricultural workers to improve security in Angola's agricultural zones.

Cuban interference led the Angola Government in 1980 to begin letting specific contracts lapse as they expired. When this became obvious to Castro, the Cuban leader sent a message to President dos Santos announcing that henceforth all Cuban assistance was to be paid for in US currency. Castro threatened to remove "all Cubans" from Angola if this demand was not met. Apparently, differences were resolved; we have not observed any significant decline in Cuban economic assistance to Angola and dos Santos recently publicly claimed that Cuban civilians are provided free.

Another example of Cuban pressure tactics occurred in Mali,

When the government hesitated to accept a Cuban medical contingent, Cuba maneuvered events

so that the Malian Government did not have a choice. Just prior to closing time on a Friday, a Cuban Embassy officer verbally informed Malian officials that a special Air Cubana flight with the medical contingent on board would arrive the following Monday, a Malian holiday. The Government of Mali was thus denied an opportunity to respond to the notification and had the Cuban aid forced upon it.

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Outlook

Despite some failures in its international assistance programs, Cuba will continue to probe for new opportunities to gain influence in Africa and elsewhere in the Third World. Its aid is particularly appealing to those countries where young, leftist governments look to Cuba as an example of a successful revolution and as source of badly needed free or inexpensive assistance. These nations view Cuba's experience as a developing country as having more relevance to their problems than the sophisticated "high-technology" societies of the West. Therefore, despite the problems experienced by some nations, many countries still gladly accept Cuban offers of aid. In 1984, Burkina, for example, according to Embassy reporting, planned to utilize Cuban security advisers in restructuring the internal security and intelligence collection service and in training military personnel. Other Cuban inroads in Africa in the last 18 months included expanded cooperation with Burkina and Ghana and new agreements with Zambia and Zimbabwe.

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Nevertheless, Castro's assistance programs in Africa probably will continue to encounter problems, in part because of the wide scope of Havana's efforts. Those countries such as Burundi and Mali that have experienced difficulties probably will look elsewhere for help. Others may limit Cuban aid for fear of alienating Western sources of financial assistance. Moreover, some African recipients, wary of Havana's meddling in their internal politics, will try to limit the Cuban presence in their country. Angola, however, will have difficulty controlling Cuban activities because of its heavy dependence on Cuban military support. For its part, Havana, confined by its own

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severe economic constraints and unable to provide substantial material or economic assistance, will continue to rely on sending personnel rather than giving financial or material aid. [redacted]

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Chile: Resurgence of University Student Politics

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The intensification of university student political activities in recent months constitutes a serious blow to President Pinochet's efforts to maintain controls on academic life and prevent students from regaining the political influence they had before the 1973 coup. The most significant development was the sweeping victory in October 1984 of a centrist-leftist coalition in student elections at the University of Chile, the country's largest and most important university. This election capped a skillful campaign by opposition groups to undermine the regime-imposed student organization, to revive the proscribed Federation of Chilean Students, and to reinstitute direct university-wide student elections. This and similar ferment at other universities demonstrate the staying power of such political parties as the Christian Democrats, the Socialists, and the Communists, which historically have dominated the student movement. Conversely, these developments underscore the failure of the regime's "cleansing" operations in universities and the weak appeal of the far-right groups that had been foisted on student associations and sustained by government aid since the coup.

From mid-1983 through last October, the regime seemingly felt obliged to accept a speeded-up transition to democratic rule. The government tolerated heightened political activity on university campuses, evidently because it did not expect a major challenge to its authority. The regime was caught short by the intensity of the student opposition's efforts during the second half of 1984. The elections at the University of Chile triggered a series of government countermeasures there and at other institutions. Pinochet publicly characterized student activists as irresponsible and pointed to the centrist-leftist victory at the University of Chile as contributing to his decision to delay the transition process and to impose the state of siege on

6 November

Opposition student leaders have reacted sharply to the state of siege and the renewed restrictions on political activism on campuses. Although antiregime political demonstrations in recent months were generally effectual, students were in the forefront and clashed with security forces on several occasions. During the current vacation period that began in December, opposition student leaders have issued statements denouncing regime actions against students. They have called for academic liberalization, dismissal of regime-designated military rectors, and student participation in university governance.

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When the vacation period ends in mid-March, student agitation probably will increase as part of the political opposition's campaign against the state of siege and to achieve an accelerated transition to democratic rule.

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Background

The revitalization of the university student movement is remarkable, considering the sweeping purges carried out when the military came to power in 1973 and the regime's actions to maintain tight control over all universities. According to several scholarly articles, government measures included wholesale dismissals of leftist professors and some centrist Christian Democrats and other nonconformists, reductions by 10 to 15 percent of nonacademic personnel and 15 to 18 percent of students, appointment of military officers as rectors in all public and private (Catholic) universities, and the virtual elimination of political science as an academic discipline and sharp curtailment of other social sciences. The purges of faculty, students, and others were pervasive at institutions the military deemed especially subversive, such as the University of

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Concepcion, long a hotbed of leftist sympathies and the birth place of the extremist Movement of the Revolutionary Left.

As part of an apparent plan to modify the class composition of university student bodies, the regime decreed sharp tuition hikes, reductions in student financial aid, and an upgrading of aptitude test scores required for university admission. Because of curriculum changes ostensibly geared to anticipated job market requirements, technological and business fields predominated among openings for prospective students, and the humanities and social sciences were neglected. The effect was to reduce sharply access to higher education for the lower-middle classes and drop enrollments from 146,000 in 1973 to about 120,000 in 1984, according to government statistics.

From 1973, the regime insisted on depoliticizing student movements and discouraging student self-government. It abolished existing student and teacher organizations and gradually established essentially powerless student centers in most universities, whose officers it appointed while allowing some elected delegates. In 1977, the regime fostered the creation of a new student federation at the University of Chile and placed at its helm student members of the gremialist movement, a group comprised predominantly of conservatives, lay Catholics, and strong nationalists who held many key government positions. The regime's political strategists evidently hoped that these student associations would form the nucleus for an enduring rightist political party to which the military eventually could hand over power. Although gremialists at the University of Chile and elsewhere attracted minimal student support, their control over student associations was guaranteed by periodic indirect elections.

Following a reorganization of the university system in 1981, the provincial branches of the University of Chile became separate institutions and several new universities were created in more remote areas. The underlying purpose, according to news commentators and scholars, was to disperse the concentration of students away from major urban centers and to establish conservative, proregime universities.

List of Chilean Universities

Name (Location)	Enrollment	Student Association-Political Orientation
Total	120,000	
University of Chile (Santiago)	26,000	Christian Democratic/Communist-led coalition
Catholic University of Chile (Santiago)	12,000	Gremialist; elections recently canceled
University of Santiago	15,000	
University of Valparaiso		Christian Democratic/Communist-led coalition
Catholic University of Valparaiso	7,000	Rightist coalition; elections recently canceled
Santa Maria Technical University of Valparaiso	2,000	Communist-led coalition
University of Concepcion	10,000	Christian Democratic slate; academic year ended early
University of Biobio (Concepcion)		
University of the North (Antofagasta)	2,000	Far-left coalition
University of Antofagasta		Communist-led coalition
University of La Serena (La Serena)		
University of the Frontier (Temuco)		
Austral University (Valdivia)		
University of Tarapaca (Arica) ^a		
Arturo Prat University (Iquique) ^a		
University of Atacama (Copiapo) ^a		
University of Magallanes ^a		
University of Talca ^a		

^a Recently established.

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Developments at the University of Chile

Antiregime student organizers at the University of Chile worked hard throughout 1983-84 to overcome the political apathy on campus and to undercut the regime-imposed student association. Their most effective tactic was to put up candidates for the at-large delegate positions on the universitywide student association. The US Embassy reports that by mid-1984 opposition groups had won several seats and were threatening to oust the gremialists from control of the association. [redacted]

Elections last October for the reconstituted Federation of Chilean Students—the first free University of Chile elections in 12 years—produced a large turnout. A combined slate representing the Christian Democratic Party and the Communist-led Popular Democratic Movement received 66 percent of the vote and gained full control of the Federation. About half of the coalition's vote went to the Christian Democrats, whose top votegetter became the Federation's president. The Communists received about a fourth of the slate's votes and elected the Federation's vice president. Rightist students split into several groups. Most considered association with the gremialists a liability because of the latter's identification with the regime, according to the US Embassy. The combined vote total of the right was about 27 percent, and because the gremialists received only about 6 percent they are widely viewed as likely to disappear from the University of Chile's political map. [redacted]

The US Embassy saw the elections as having a significant impact, largely because for the first time since 1973 a substantial number of Chileans were allowed to vote for candidates representing clearly labeled political parties and under conditions that were not rigged. The Embassy agreed with several local commentators that the results constitute the best rough indicator to date of the relative appeal of the various political parties. [redacted]

The reaction of the authorities was speedy and negative, [redacted] The university's military rector questioned the right of the new Federation to represent students and charged that portions of its statutes were "unacceptable." He said the University administration would not officially

recognize the Federation, grant it office space or funds, or permit its representatives to have any say in University decisionmaking. The rector's statement was quickly endorsed by the Minister of Education, who threatened reprisals if student leaders engaged in antigovernment protests. In announcing the state of siege on 6 November, President Pinochet said the elections demonstrated the students' lack of "political maturity" and how some groups had taken advantage "irresponsibly" of the more open political activity the government had permitted. [redacted]

University and educational officials had tended to ignore the growth of student political activism, according to the US Embassy. They acted only when the right lost the elections and the new Federation leaders pledged to increase attacks on the government and to seek the early ouster of the rector. The authorities probably were also provoked by the Federation president's statements that he considered it legitimate for students to seize university buildings or campuses to dramatize their protests and that in 1985 he would seek to organize a national confederation of university students as a means to increase pressure for an early return to civilian government. [redacted]

Effect on the Christian Democrats

The Federation elections also worsened internal differences in the Christian Democratic Party, according to the US Embassy. Moderate and conservative party leaders wanted the Christian Democratic student group to disavow the alliance with the far left in the contest. The party's left wing, on the other hand, favored the alliance, evidently fearing that without it a leftist coalition would defeat the Christian Democratic student ticket. Christian Democratic President Gabriel Valdes, who argued for the alliance and ultimately prevailed, was opposed on this issue by his rival for the party chairmanship, Juan Hamilton. The latter told the US Embassy that his decision to seek to unseat Valdes in forthcoming party elections was solidified by the split over the student alliance issue. Hamilton said he feared this development would provide the regime with additional

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ammunition to argue that the Christian Democrats are unreliable because they will never forgo alliances with the Communists at the national level. [redacted]

Despite failure by the moderates to prevail on the University of Chile elections question, they provoked such a furor that, according to the US Embassy, student members were prohibited from allying with the far left in subsequent university student elections. Nevertheless, [redacted] the issue is not dead. Valdes and his wing still believe that the Communists are a significant political force and oppose the regime's demands that the Communists and other far leftist political parties be formally proscribed before the transition process will be permitted to advance. [redacted] the continuing acrimony over this issue was a factor in the party's decision to delay internal elections. [redacted]

Meanwhile, elections for President of the Christian Democratic Youth Movement held in mid-December resulted in a tie vote. The incumbent—a strong critic of alliances with leftists—reportedly was expected to win reelection easily before the dispute arose. His opponent belongs to the party's left wing and is closely associated with Valdes. The tie vote underscores the continuing divisiveness among Christian Democrats regarding alliances in university elections. This situation is likely to be aggravated once the new academic year begins in March and student leaders agitate for elections throughout the university system. [redacted]

Developments in Other Universities

Elections at the University of Chile stimulated students at several other universities to try to follow suit, according to the US Embassy. At the Catholic University in Santiago, probably the country's second most important university and a gremialist stronghold, a plebiscite in September over whether to permit direct student elections received overwhelming approval. As a result, elections for a new directorate for the Federation were scheduled for November. The US Embassy reports that the contest was shaping up as a close race between a Christian Democrat-leftist coalition and a centrist-rightist group led by the gremialists. On 14 November, however, the military governor of Santiago banned the elections, citing state of siege prohibitions. [redacted]

The authorities adopted similar measures to thwart opposition victories in student elections scheduled at other institutions. Included were an order on 22 November ending the academic year early at the University of Concepcion, the cancellation of student elections at the Catholic University of Valparaiso, and the refusal of officials at a campus in Osorno to recognize student elections won by a Christian Democratic-headed slate over one led by the Communists. Student elections held in several other universities before the state of siege prohibitions were implemented resulted in victories by either Communist-led tickets or those headed by the Christian Democrats. [redacted]

Opposition student groups reacted to the restrictive measures by calling short protest strikes or class stoppages at several universities, issuing demands for replacement of military rectors, and staging a few hit-and-run provocations against the police near university campuses. Most of these activities fizzled, however, and campuses quieted down with the onset of the summer vacations in December. Nevertheless, several groups in Santiago mounted a successful public fund drive to finance what had been a summer volunteer service by university students in rural areas but was now prohibited by the government under the state of siege. In January and February, according to local radio reports, police arrested several hundred students engaged in this activity in small towns and threatened further action if the student Federation of the University of Chile did not suspend its program. [redacted]

Outlook

The coming academic year probably will be more agitated than any in recent memory, leading to growing polarization between opposition student groups and the authorities. When university classes resume next month, student opposition groups will try to expand on their already appreciable gains. Their first priority probably will be to renew pressure on university administrators to permit direct student elections in those institutions where hardline rectors have prevented balloting. Two places where this tactic probably will be tried are at the capital's third university, the University of Santiago, and at the

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University of Concepcion. Tight control continues to be maintained at each institution. In addition, student groups at the Catholic University of Santiago and elsewhere will press for an early scheduling of postponed elections, despite the authorities' reliance on the prohibitions of the state of siege. The new president of the Federation at the University of Chile probably will take the lead in planning a national confederation of students, perhaps attempting to tie this campaign to the United Nations' designation of 1985 as the worldwide Year of Youth. [redacted]

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Opposition student groups also probably will continue pressing for liberalization of university life. Their demands are likely to include replacement of military rectors by civilians chosen by the respective academic communities, increases in student financial aid and softening of admission requirements, and a return to the pre-1973 practice of granting student representatives a voice in university affairs. A theme likely to permeate the revived student activism will be the need to return universities to center stage in the study and debate on major national issues, with particular emphasis on how to persuade the regime to speed up the return to a civilian government. [redacted]

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The regime's reactions to most, if not all, of this activity will almost certainly be negative, involving new repressive measures to forestall opposition gains through elections or demands for liberalization. In fact, as long as the state of siege remains in effect, there is little chance that the regime will tolerate renewed student activism, such as participation in antiregime protests or efforts of student groups to play a role in discussion of the transition process.

Moreover, the outcome of the University of Chile student elections has reconfirmed Pinochet's suspicions regarding the Christian Democrats. If nothing else, this factor probably will provide an additional pretext to delay the transition dialogue.

[redacted]

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Argentina: Alfonsin's Prospects in 1985

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President Alfonsin's first year in office has been successful, by Argentine standards. Polls show that, despite triple-digit inflation and rising unemployment, nearly three-quarters of the population feels Alfonsin has governed the country well. We believe he continues to enjoy broad popular support in part because of his ability to articulate the democratic aspirations of a wide swath of the Argentine electorate; much of the public has apparently come to equate Alfonsin's political fortunes with the fortunes of democracy. This, in our judgment, explains the government's landslide victory in the vote on the Beagle Channel treaty with Chile last November, which was widely viewed as a referendum on Alfonsin's first year in power.



President Alfonsin

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Peronists in Disarray

The President has also been aided by the opposition Peronist party's failure to oppose his government effectively. Before 1983 the Peronists, along with the military, were Argentina's traditional powerbrokers. Peronism, however, has failed to adapt to the role of chief opposition party in a democratic system. Instead, it has been riven by internal disputes and has split into rival factions, losing considerable popular support in the process.

Alfonsin has craftily taken advantage of the disarray in the Peronist camp by allowing disgruntled Peronist and minor party candidates to run under his Radical Party's banner in congressional elections scheduled for next November. He hopes that these elections will preserve the Radicals' majority in the lower house and enable the party to gain control of the Senate, thereby consolidating Radical domination of Argentine politics.

Foreign Policy Accomplishments

Alfonsin also has some foreign policy successes to his credit. Foremost, in our view, was the signing of the Beagle Channel Treaty, which ended a century-old dispute that had on several occasions almost provoked

war between Argentina and Chile. The President has also worked at repairing relations with the United States, which had deteriorated as a result of Washington's support for the United Kingdom in the 1982 Falklands conflict. He has adopted a pragmatic stance on Central American issues, making clear that Argentina will not take the lead in opposing US policy in the region. Under Alfonsin, Argentina is playing a more active role in the Nonaligned Movement and may exert a moderating influence in that group. On the other hand, Alfonsin has made no progress in resolving the Falklands dispute. London and Buenos Aires remain at loggerheads over the issue of the islands' sovereignty, and we foresee little chance of a breakthrough in the near future.

Relations With the Military

Alfonsin has attempted to circumvent the issue of human rights abuses committed by the military during the "dirty war" against terrorism of the 1970s. He has delayed prosecution of all but top military leaders and kept the trials largely within the military courts. No officers have been convicted so far, but hundreds face the prospect of eventually accounting

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for past crimes. This situation has satisfied neither the government's critics on the left nor the military. We suspect that Alfonsin is seeking a few token convictions of top military figures—as well as balancing convictions of leftist terrorists—as a prelude to issuing a general amnesty for past political crimes. Such a course would alienate extremists on both the right and the left but would probably satisfy much of the Argentine public, which we believe wants to put the nation's violent past to rest. [redacted]

The human rights issue and drastic cuts in the military budget have strained Alfonsin's relations with the armed forces, but we see little danger of a coup in the near future. The services are discredited and disunited, and there is little civilian support for a military takeover. Nevertheless, bombings and kidnappings by small groups of dissident officers and rightist terrorists are increasing. Violence could increase and pose a serious problem in the future if the economy goes into a tailspin or leftist terrorists become active again. [redacted]

Labor and the Economy

A more immediate challenge to the government comes from organized labor. The demise of the Peronists has converted Argentina's traditionally assertive trade unions into the main civilian opposition to Alfonsin. Union leaders have denounced the President for entering into an agreement with the IMF and late last year imposing austerity at workers' expense. The unions have recently reorganized and probably will test their power by mobilizing to protest the government's economic policies. [redacted]

The economy remains Alfonsin's greatest single problem. The agreement with the IMF has removed, for the time being, the threat of debt default or repudiation that loomed during his first months in office. But Alfonsin will have a tough time implementing the IMF program, which calls for a sharp reduction in the current 600-percent inflation rate through wage restraint and budget cuts. His willingness to endure the political pressures generated by austerity will determine to what extent he complies with the IMF guidelines. He probably calculates that, provided recovery is under way well before the November congressional elections, he can withstand the political fallout from a mild recession. [redacted]

Outlook

If the economic slowdown proves unexpectedly severe and if protests from labor and the military become intense, Alfonsin may try to mollify these and other interest groups through piecemeal financial concessions. Such a course would aggravate inflation and probably cause budget targets to be missed, thereby jeopardizing the agreement with the IMF. A full break with the Fund and the international financial community might give Alfonsin a brief political boost, but the long-term consequences could be disastrous for Argentine democracy. Runaway inflation would almost certainly produce widespread discontent and give the military—perhaps in alliance with sectors of labor and the Peronists—a chance to gain the public support it needs to take power once again. [redacted]

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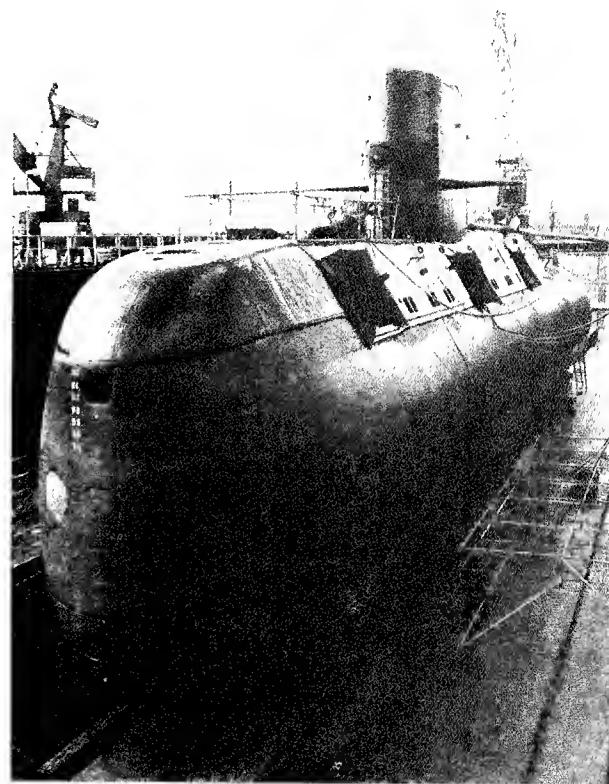
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Argentina: Naval Production and Export Efforts

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In the late 1970s, the Argentine Navy launched an ambitious modernization program calling for production of six submarines, six guided-missile corvettes, and four guided-missile frigates with assistance from West German firms. New shipyards were built and existing yards were upgraded and expanded. In addition, the Argentines began producing an indigenously designed air-to-surface antiship missile.

After the return to civilian rule in 1983, the modernization program began to experience financial setbacks as a result of President Alfonsin's budget cutting and his government's decreased emphasis on meeting domestic military requirements. In November 1984, the Navy's Chief of Staff, Admiral Arosa, announced that financial difficulties compelled the Navy to try to sell at least some of the new frigates and possibly the submarines. Two British-made destroyers and two West German-built submarines in the Navy's inventory are also to be sold if customers can be found.



The "San Juan," the second of six TR-1700 submarines ordered from Thyssen Nordseewerke by the Argentine Navy seen at the company's shipyard in West Germany.

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Argentine Products

Submarines. The Argentine Navy signed a contract in 1977 with the West German firm Thyssen Nordseewerke for the construction of six TR-1700 submarines. Two of the submarines were subsequently built at Thyssen's shipyards in Germany. One was delivered to the Argentine Navy in 1984, and the other has recently completed sea trials. Construction of the remaining four began in 1982 at the Manuel Domecq Garcia Shipyards in Buenos Aires, which are owned 75 percent by the Argentine Navy and 25 percent by Thyssen, but recent funding cutbacks and technical difficulties are delaying completion.

Frigates. In 1978, the Navy contracted with the West German firm Blohm and Voss for the construction of four Meko 360 frigates.

Three of the frigates, built in West Germany, are now in the Navy's inventory. They are each armed with eight Exocet missile launchers and an Albatross antiaircraft system that uses Aspide missiles. The ships also have antisubmarine warfare (ASW) capabilities.

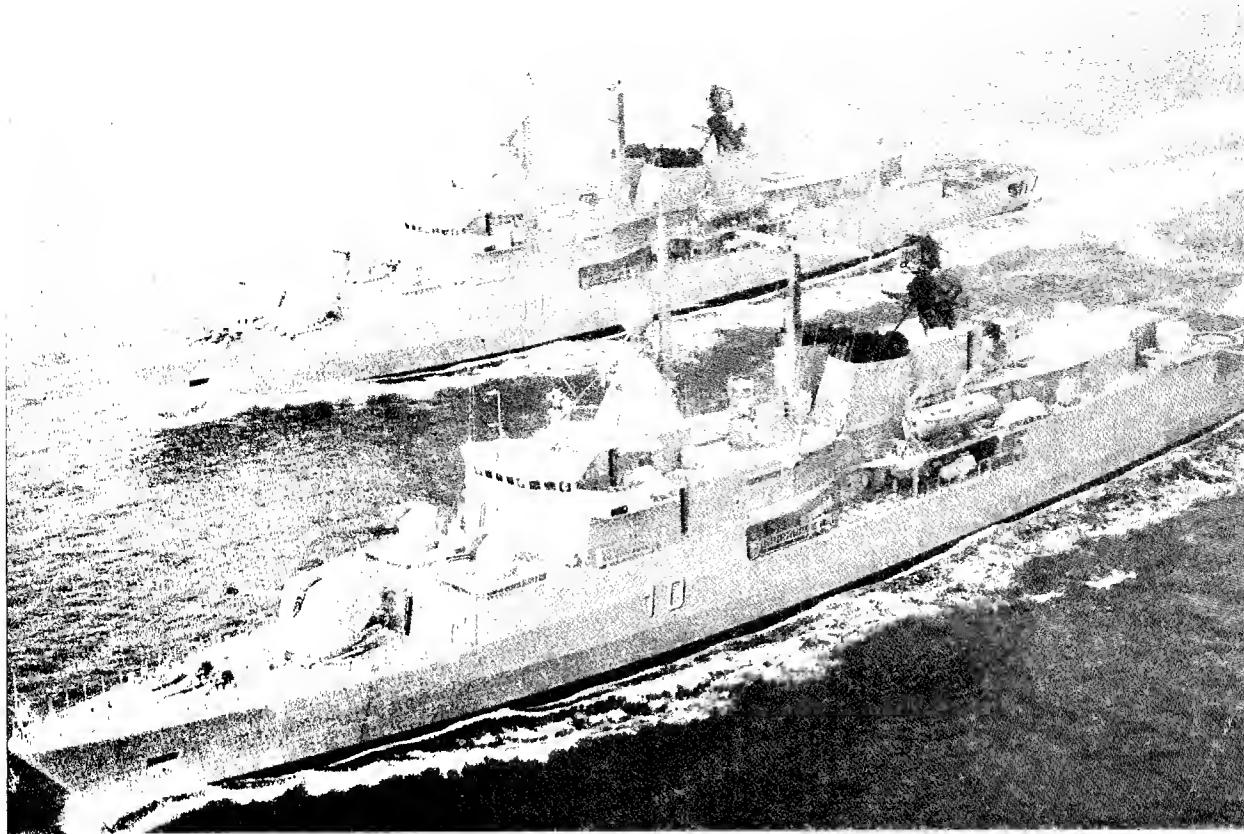
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The "Almirante Brown" and "La Argentina," the first two of four Meko 360 frigates being built for the Argentine Navy by the West German shipyard, Blohm and Voss.

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Corvettes. In 1980, Blohm and Voss contracted to assist Argentina in building six Meko 140 corvettes. Construction of the first of these ships began in October 1980 at the Argentine Government's Rio Santiago shipyards. Four of the six corvettes have been delivered to the Navy thus far. The Meko 140s have Exocet missile launchers and an ASW capability.

Two versions of the Kingfisher are in series production. One of these, the ASM-1, has a range of up to 9 kilometers, while the follow-on version, the ASM-2, has a 15-kilometer range. A third version—possibly to be called the ASM-3—is a helicopter-launched model with a 100-kilogram warhead. A prototype is scheduled for testing in 1985.

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Missiles. The Kingfisher air-to-surface antiship missile was developed in the late 1970s by the Armed Forces Scientific and Technical Research Center (CITEFA), the Argentine military's research and development arm. The missile is a supersonic, aircraft-launched tactical missile for use over short-to-medium ranges (2.5 to 15 kilometers). It is powered by a single-stage, solid-propellant rocket motor and carries a conventional high-explosive warhead weighing 40 kilograms.

In recent months, the financially strapped Navy, looking for ways to offset budget cuts, has been seeking foreign customers for Argentine naval equipment. Discussions have been held with Egypt concerning a possible purchase of TR-1700 submarines, and with several Asian countries concerning the Meko 140s

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An aerial view of the Manuel Domecq Garcia shipyards at the port of Buenos Aires. In 1981, the shipyard began construction of the first of four TR-1700 submarines to be built in Argentina. Key:

1. A neighboring repair facility
2. Synchro-lift
3. Electrical workshops
4. Berths for simultaneous construction of two submarines
5. Hull-section welding shop
6. Plate store
7. Plate-cutting shop
8. Administrative building

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No sales have been concluded thus far for various reasons. Argentina's financial situation makes it impossible for the Navy to offer attractive credit terms. Political considerations have caused Buenos Aires to reconsider some sales, and several potential customer countries apparently are concerned that Argentine ships do not meet their present naval requirements. In addition, exports of West German-origin equipment from Argentina require the approval of the West German Government. Bonn has previously put restrictions on selling weapons to areas of tension, especially in the Middle East.

Foreign-Produced Equipment for Sale

In 1984 Buenos Aires offered for sale two British-designed Type 42 destroyers that have been in the

Argentine inventory since the late 1970s.

Negotiations are currently under way with Iran, and press reports indicate that the government is studying the possibility of asking a third country—possibly Portugal or Tunisia—to act as an intermediary in the sale. Portugal has served in such a role between Iran and other countries in the past, but Tunisia has not, and we doubt it would be willing to do so at this time.

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Iraq has also expressed interest in the destroyers, but the Argentines have been unresponsive thus far. We believe Buenos Aires may be stalling to await the outcome of its negotiations with Iran.

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[redacted] Argentina
recently offered to sell Taiwan the two Type 42 destroyers and two submarines—probably the West German-made Type 209 diesel submarines now in the Argentine Navy inventory. The ships would be part of a barter agreement in which Taiwan would supply Buenos Aires with turnkey fertilizer plants, electrical generators, and an electrolytic aluminum smelter. We believe the Argentines may be courting Taiwan as a buyer in an effort to avoid the diplomatic complications that could arise from selling the ships in the Middle East. [redacted]

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[redacted]
The Ecuadoreans appear unable to fund such a purchase, however, and the Argentine financial situation makes Buenos Aires reluctant to consider a credit arrangement. [redacted]

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Impact of Sales on Capabilities

Sales of foreign or domestically manufactured ships now in the Navy's inventory—particularly those that have been recently acquired—could have a severe impact on naval capabilities. Extensive sales would undercut the fleet modernization program, which was designed to redress the Navy's inadequate number of submarines and surface ships and to strengthen its limited antisubmarine warfare capabilities. Sales of more limited scope—the most likely eventuality, in our view—would mean some loss in capabilities but would also yield revenues to help offset the impact of budget cuts on naval operations. [redacted]

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Colombia: Confrontation at Corinto

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A protracted confrontation in which insurgents of the 19th of April Movement (M-19) were encircled by the Army near the town of Corinto has provided the most serious challenge to date to the five-month-old cease-fire between the government and three of the four major guerrilla groups. The government and the M-19 negotiated an end to the hostilities in January, and the group has agreed to withdraw from its fortified encampments. Nonetheless, the potential for future clashes remains high.

The confrontation began in mid-December, when numerically superior Army troops pinned down approximately 150 M-19 guerrillas with small arms and mortar fire. The guerrillas were entrenched in fortified camps surrounded by minefields, creating what then Acting Defense Minister Vega called independent republics. Although the Army ostensibly stumbled upon these fortifications,

narcotics traffickers to assassinate Colombian officials and US diplomats probably also contributed to Betancur's willingness to give the military a green light. Growing public impatience with M-19-sponsored violence, coupled with pressure for action from several political leaders, also motivated Betancur, according to the US Embassy

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The President's desire to punish the M-19 was tempered, however, by a desire to prevent the cease-fire from unraveling. Moreover, after the initial mortar attacks against the M-19 fortifications, the Army discovered that many of the dead insurgents were only 12 to 14 years old.

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Government and Guerrilla Motives

Military leaders publicly justified their actions against the M-19 on grounds that the government would not permit the establishment of armed enclaves.

We believe that the guerrillas probably misread government intentions and public opinion and that the Army's forceful reaction caught them unprepared. A similar situation last November, in which the government ordered the Army to withdraw from a region occupied by the Revolutionary Armed Forces of Colombia (FARC) as part of the truce with the guerrillas, may have contributed to the mistaken assumption that the Army would take no action against the Corinto fortifications,

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Vega's animosity toward the M-19 had been heightened by threats the group made against him when he was in London earlier last year.

In a meeting with Government Minister Castro during the Corinto siege, Antonio Navarro Wolf, the M-19's chief negotiator with the government, blamed the Army for singling out his group, since the FARC had been permitted to maintain fortified camps. M-19 appeals for mediation by Mexico, Spain, and the Catholic Church were, in our view, a desperate bid to bring its plight to international attention and to seek assistance in the face of near-certain defeat by the Army.

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President Betancur supported the Army's actions because of his increasing frustration with the M-19's flagrant violations of the cease-fire accords. Widely publicized statements by M-19 leader Ivan Ospina urging local

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ALA LAR 85-005
15 February 1985

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Assessing the Conflict

The outcome of the Corinto encounter probably satisfied all parties. The military, despite its disappointment with not being allowed to annihilate the M-19, doubtless is satisfied that it has put the guerrillas on notice about the armed forces' willingness to move against insurgent strongholds. Senior officers probably are also heartened by Betancur's growing frustration with the guerrillas, which they believe could spur him to further punitive action. [redacted]

Betancur's New Year's Day speech strongly criticizing the guerrillas and his praise for the military at the funeral of Defense Minister Matamoros in January served to bolster his relations with the military. [redacted] For his part, Betancur managed to keep the peace process intact, retained his image as a dedicated peacemaker, and probably strengthened his position with voters as a result of his firm position toward the guerrillas. [redacted]

The Corinto conflict demonstrated that Betancur—long unwilling to take a hard line against the guerrillas because of his paramount interest in preserving the shaky peace negotiations—is capable of mounting stiff resistance if pushed far enough. Betancur, however, showed willingness to make concessions—allowing the M-19 to keep its arms and withdraw from Corinto to another safehaven when the Army clearly had the upper hand militarily—in order to maintain the peace process. [redacted]

Although the M-19 was forced to evacuate its stronghold, the fact that it was able to leave Corinto with its weapons probably provided some consolation. M-19 leaders also believe they gained favorable publicity by holding off the Army for so long. [redacted]

Nevertheless, the M-19's effort to project an image as a legitimate political force has been damaged by the evidence that it was using its base at Corinto to strengthen its paramilitary capabilities. [redacted]

Outlook

The M-19's willingness to maintain the truce will hinge largely on the outcome of the group's current leadership struggle. [redacted]

[redacted] the movement is split into two groups.

One faction reportedly favors creating a political party, terminating armed actions, and gradually disarming. The other rejects participation in the political process unless the government undertakes radical economic and political reforms, and wants to continue preparing for a resumption of the armed struggle. [redacted]

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The M-19's national conference, which is scheduled for 14-18 February, will be dominated by the competition between the two factions. The M-19 also will review the status of Ivan Ospina, who recently announced that he had been removed as the group's senior leader because of his endorsement of the terrorist threats by narcotics traffickers. The internal divisions within the M-19 are longstanding, and guerrilla leaders may be able to paper over differences as they have in the past. If hardliners decide to break from the movement, however, they probably will align with other insurgent groups that have refused to accept the cease-fire, thereby greatly increasing prospects that the truce will unravel. [redacted]

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In any event, the M-19 is entrenched in its new location east of Corinto with its forces largely intact and armed, and the potential for future clashes with the Army remains high. A recent M-19 charge of continuing Army harassment at its new camp further heightens the possibility of renewed hostilities. [redacted]

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Paraguay-Latin America: The Case of Dr. Mengele

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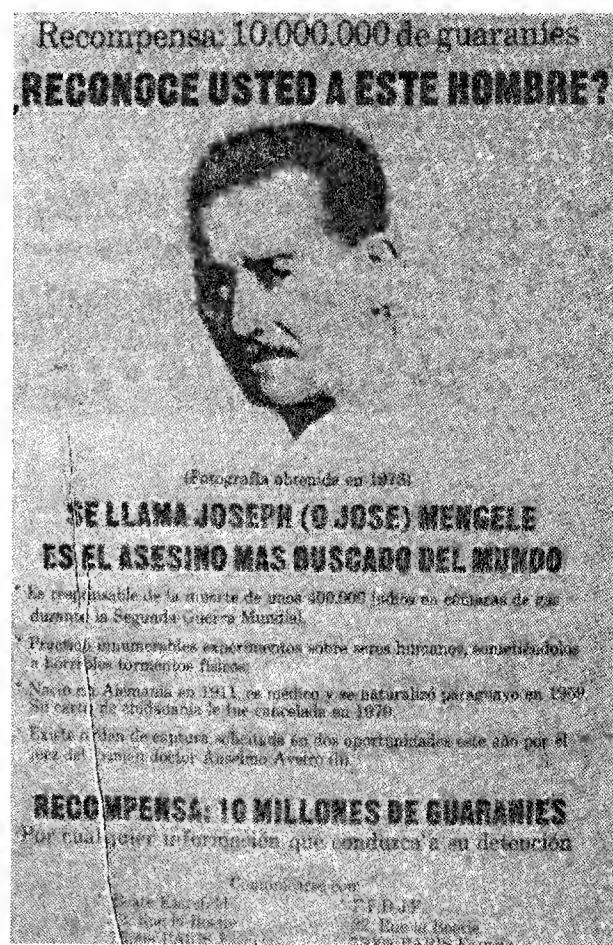
The search for German war criminal Josef Mengele has centered on South America, long a haven for Nazi fugitives. Paraguay has been a special target for investigators. Mengele reportedly lived there during the early 1960s, and some Nazi hunters believe he still resides in Paraguay under official protection.

Mengele, a physician, is accused of selecting tens of thousands of inmates at the Auschwitz concentration camp for medical experiments or extermination in gas chambers. Most of the information we have on his postwar activities is unsubstantiated—the last confirmed sighting was in the late 1960s, according to press reports—and serves more to document Mengele's past movements than to provide indications of whether he is still alive or his current whereabouts.

The Paraguayan Government has been only mildly responsive to inquiries about Mengele, and President Stroessner has barred independent investigations, labeling them as interference in internal affairs. In our view, if Mengele—who would now be 73 years old—is alive and residing in Paraguay, the regime's attitude, combined with the lack of recent information on his whereabouts, gives him a reasonable chance of continuing to evade capture.

Past Residence in Paraguay

Last December two sources provided US Embassy personnel with what appear to be plausible, although unconfirmed, accounts of Mengele's movements until the early 1970s. The first source, a lawyer from New York, was visiting Paraguay to gather information for a book on Mengele. He met several times there with Alejandro von Eckstein, a Russian emigre who has lived in the country for 50 years and claims a long relationship with the Nazi fugitive. Von Eckstein told the lawyer that Mengele started visiting Paraguay in the mid-1950s while residing in Buenos Aires, became a Paraguayan citizen in 1959, and lived in and around Asuncion until 1965. Mengele then moved to Brazil, according to von Eckstein, and visited Paraguay



Reward poster placed by Nazi hunters in a Paraguayan newspaper last November. The picture of Mengele was obtained in 1976, but its date or origin is uncertain. The reward for information is about \$25,000 in Paraguayan currency.

Ultima Hora ©

several times in the late 1960s. Von Eckstein said Mengele lived in Brazil until several years ago. The Russian claimed that he knew the exact location in Brazil and that he could easily find out if Mengele were still alive.

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Conrado Pappalardo, a high-level official in the Paraguayan Government, corroborated and added to this information in a later meeting with US Embassy personnel. According to Pappalardo, Mengele was a partner in a large hardware store in Asuncion between 1959 and 1965, and used his own name during that period. The store had ties to a farm implement factory owned by the Mengele family in Germany, and Mengele allegedly visited Germany several times. Pappalardo said Mengele left Paraguay for Brazil in 1965 after Nazi hunters discovered his whereabouts. Eventually, according to Pappalardo, the Nazi fugitive went on to Portugal but continued corresponding with friends in South America until around 1980. Pappalardo said that Mengele's friends believe the absence of correspondence since then indicated that Mengele had died.

How Mengele Evaded Capture

Halfhearted Pursuit. The lawyer from New York told US Embassy personnel he had obtained evidence that the Israelis had broken off their efforts to capture Mengele two decades earlier. He said a high-level Israeli intelligence officer assigned to tracking Nazis had told him that in the early 1960s Israeli operatives trailed Mengele to a farm near Encarnacion in southern Paraguay. The farm was heavily fortified and difficult to storm. The Israelis, according to the intelligence official, were also inhibited from taking action by the international uproar over their 1960 kidnaping of Nazi fugitive Adolph Eichmann in Buenos Aires. The Israeli said that, by the mid-1960s, Tel Aviv had more pressing concerns elsewhere and the search for Mengele was shelved.

The West Germans also balked at about the same time, according to von Eckstein. He claimed that the West German Ambassador in Asuncion had queried him about Mengele's whereabouts, but then asked von Eckstein to withhold the information. Von Eckstein believed that the Ambassador did not want to be put in a position in which he would have had to press Paraguay to extradite the fugitive to West Germany.

Paraguayan Protection. Even more important, in our view, was the official protection Mengele evidently enjoyed in Paraguay. Stroessner, who has been in power since 1954, is of German background, and he sympathized with the Axis powers during World War

II.

[redacted]
[redacted] Mengele served on occasion as Stroessner's personal physician. Stroessner agreed only under strong international pressure to revoke Mengele's Paraguayan citizenship in 1979.

Mengele reportedly also received considerable help from the network of prosperous people of German origin living in Paraguay.¹ For example, his partner in the Asuncion hardware store, according to Pappalardo, was of German descent. The fortified ranch at which Mengele was staying when the Israelis located him belonged to a family of German background.

Recent Developments

Although the last confirmed sighting of Mengele was nearly two decades ago in Paraguay, there have been numerous unsubstantiated reports in recent years. In January 1982, longtime Nazi hunter Simon Wiesenthal claimed that Mengele was alive, although afflicted with cancer, and was moving between Paraguay, Uruguay, and Bolivia. Another Nazi hunter believes Mengele has abandoned Paraguay and is traveling between Brazil, Chile, and Uruguay. Others claim to have spotted him at various times in Brazil, Venezuela, Argentina, and the United States. Last August, Mengele was allegedly seen by

[redacted] in the Paraguayan cities of Filadelfia, Puerto Stroessner, and Pedro Juan Caballero. In mid-February, a Paraguayan exile in Buenos Aires claimed Mengele was living on a military base in Laureles, a town to the east of Desmochados in southwestern Paraguay, where Stroessner has his summer home.

Stroessner has been only mildly cooperative in investigating such rumors. Last November, in response to a request from a delegation led by a former member of the US Congress, the President

¹ The German-origin community includes people whose families began emigrating to Paraguay in the late 19th century and others who arrived after World War II. According to open sources, some 200,000 Paraguayans out of a total population of 3.6 million are of German descent.

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ordered a nationwide manhunt for Mengele and offered to allow outsiders to assist Paraguayan police investigators. Press reports indicate, however, that the Paraguayan inquiry was halfhearted—Asuncion announced within days that it had found nothing—and Stroessner soon reneged on his offer to allow non-Paraguayans to assist his investigators. We believe his initiative was little more than a gambit aimed at easing international pressure.

Prospects for Capture

If Mengele is still alive, we believe his personal wealth, his connections among Germans in Paraguay and elsewhere in South America, the porosity of borders in the region, and the lack of recent confirmed sightings will hinder efforts to locate and capture him. Moreover, we see little indication that Stroessner currently intends to be cooperative. If Mengele is now residing in Paraguay, the President would probably want to avoid the embarrassment of having him found there. Paraguayan resentment of US human rights policies will also impede efforts to persuade Asuncion to help track Mengele down. We expect that only a combination of intense international pressure and economic or political incentives would prompt Stroessner to cooperate.



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Latin America Briefs

Peru	Mirage Payment Doubtful	25X1
	<p>Peru's apparent inability to meet a 14 April deadline for its next scheduled payment to France for supersonic Mirage 2000 fighters may disrupt scheduled training and delay delivery of the aircraft, which is slated to begin in May 1986. Peruvian technicians are scheduled to arrive in France next month for a nine-month maintenance course, and pilots will follow in October for six months of flight training, [redacted] Last December Peru kept the threatened Mirage deal on track by making a \$50-60 million downpayment with funds that had been on deposit since the contract was originally signed in early 1983. Peruvian Prime Minister Percovich recently stated, however, that Peru may be forced to renegotiate the financial arrangements because it lacks funds to make the April payment. The Peruvian Air Force is pushing hard for the sale, but the deal is also important to France. The Mirage is entering service in the French Air Force, and Paris hopes to reduce unit costs by promoting export sales. [redacted]</p>	25X1
Uruguay	Labor Restiveness	25X1
	<p>The US Embassy reports that labor unrest has increased in Uruguay since the November elections, creating an atmosphere of tension and uncertainty. Workers have staged strikes, slowdowns, plant occupations, and walkouts in such areas as railroads, banking, communications, health, ports, municipalities, chemicals, textiles, and the government-owned national oil distribution monopoly. The worker's primary demand has been for wage hikes to compensate for the 60-percent drop in purchasing power that occurred over the last decade, including a 40-percent decline in real wages during the past three years of economic recession.</p>	25X1
	<p>Uruguayan Communists—long a dominant force in the organized labor movement—have played a significant role in the growing unrest. [redacted] [redacted] exiled Communist Party members have recently been returning to the country and are helping to organize strikes and other actions. The military government, which appears to be losing interest in actively addressing the country's problems now that it is in a lame-duck status, has preferred to leave the labor issue for the incoming civilian administration. President Sanguinetti's new government, however, will have difficulty in meeting labor demands because they conflict with efforts to limit government deficits, reduce inflation, and obtain international financial support. Sanguinetti has advocated legislation to democratize the labor movement through secret balloting,</p>	25X1

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but, according to the US Embassy, he is now backing away from this approach—probably, in our judgment, because it would involve a fierce political battle and might fail to end Communist domination of the unions. [redacted]

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The Embassy expects that labor disruptions will increase in scope and significance in the months ahead. Because a turbulent era of worker unrest in the late 1960s and early 1970s helped set the stage for the military takeover in 1973, Sanguinetti is likely to make the labor question one of the highest priorities in his campaign to consolidate civilian rule. [redacted]

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Colombia

Guerrillas Adopt Riverine Warfare Tactics [redacted]

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The recent introduction of riverine warfare by guerrillas on the Magdalena and Cauca Rivers in Bolivar and Santander Departments has highlighted the Navy's deficiencies in combating such tactics. Emboldened by their recent successes, the insurgents probably will intensify use of riverine warfare, thereby adding a new dimension to the conflict. [redacted]

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On 14 January approximately 60 guerrillas of the Revolutionary Armed Forces of Colombia or one of its splinter groups attacked noncombatant Navy small craft that were ferrying a squad of Marines across the Magdalena River from their base at the Mid-Magdalena Naval Command. Using a speedboat and forces onshore, the guerrillas launched a swift, surprise attack in which three Marines were killed and three wounded. Four days later, some 100 guerrillas—reportedly drawn from several insurgent groups—attacked a police station in Achi, Bolivar, on the Cauca River, killing two policemen. The guerrillas arrived aboard seven boats, briefly occupied the town, lectured local citizens about their cause, looted the police armory, and then departed with three hostages, all of whom reportedly remain in guerrilla custody. [redacted]

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The Mid-Magdalena Naval Command is responsible for patrolling 800 kilometers of the river with only four armed patrol craft, three of which reportedly were nonoperational as of December 1984, plus assorted smaller noncombatant boats. With apparently no formal river command for the Cauca River, patrols probably are conducted infrequently, thus allowing the guerrillas to operate freely. Because this year's military budget has been severely cut, it is unlikely that the Navy's river patrol capability will be enhanced, and the guerrillas will have a major opportunity to exploit this weakness. [redacted]

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Mexico-Israel

Economic Cooperation [redacted]

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Mexico City and Tel Aviv appear prepared to increase bilateral trade, including greater sales of Mexican oil and Israeli arms. According to press reports, one of the purposes of the visit to Mexico City last month of Israel's Energy Minister was to purchase more Mexican crude. Mexico has been Israel's largest petroleum supplier since the fall of the Shah of Iran, and it currently supplies approximately 35 percent of Israel's requirements. [redacted]

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Tel Aviv recently has been trying to sell Mexico City a variety of military hardware, including mortars, communications gear, and ground support equipment. Israel reportedly has invited the head of Mexico's Navy to visit later this year. [redacted]

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In view of the soft international oil market, Mexico City probably will respond favorably to Israel's request to increase purchases. Moreover, buying small amounts of military equipment from Israel would be consistent with Mexico's policy of diversifying sources of arms. [redacted]

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Tel Aviv, for its part, values having a reliable oil supplier and probably views expanded cooperation with Mexico as furthering its aim of strengthening economic ties in the region. The Israelis may be promoting the weapons trade as a means of bolstering their domestic arms industry and reducing their substantial trade deficit with Mexico. They also may welcome closer economic cooperation with Mexico as a way of reinforcing generally good political relations. [redacted]

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Cuba Chronology

January 1985

2 January The United States asks Cuba to return to American custody Ishmael Ali Labeet, a convicted mass murderer who hijacked an American Airlines flight to Cuba on 31 December.

Zimbabwean Prime Minister Mugabe, in a 26th anniversary message to Fidel Castro, says Cuba's commitment to the ideals of socialism and socialist solidarity has been an inspiration to his people.

North Korean Vice President Pak Song-chol departs P'yongyang to visit Cuba and to attend the inaugural of Nicaraguan President Ortega.

3 January The Economic Commission for Latin America reports that Cuba registered a 22.6-percent increase in per capita gross domestic product—the largest in the region between 1981 and 1984.

Minister of Basic Industry Portal tours the Rio Yara hydroelectric plant under construction in Bartolome Mazo municipality. The site will produce 3,000 kW.

Granma reports the total general budget for 1985 is \$13.5 billion, slightly higher than the 1984 budget.

4 January Severo Aguirre del Cristo, President of the Cuban Movement for Peace and Sovereignty of the Peoples, reports that the World Peace Council will meet in Havana 7-11 January.

5 January French Minister for Overseas Cooperation Nucci arrives in Cuba heading a delegation to the sixth meeting of the Cuban-French Commission for Scientific-Technical Cooperation.

6 January Vice President of the Council of Ministers Jose Ramon Fernandez greets Pak Song-chol, North Korean Vice President, on his arrival at Jose Marti International Airport.

7 January Nucci delivers a message to Castro from President Mitterrand urging more dynamic cooperation between Cuba and France and new thrust to trade relations.

Flavio Bravo, President of the National Assembly, greets Deputy Chairman of the Presidium of the Supreme Soviet of the USSR, A. Barkauskas, who arrives in Cuba heading a delegation on its way to Nicaragua.

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8 January

Castro discusses matters of mutual interest with Gian Carlo Pajetta, Politburo and Secretariat member of the Italian Communist Party.

President Flavio Bravo and Vice President Jorge Lezcano of the National Assembly receive West German Deputy Helmut Schaefer to exchange experiences.

9 January

Politburo member and President of the National Assembly of Congo Jean Ganga Zanzou arrives in Havana and is greeted by Flavio Bravo.

A bilateral exchange protocol for 1985-86 is signed between Cuba and France. Scientific-technical cooperation will be extended and the French will provide aid to the Cuban tropical medicine institute.

10 January

Havana TV announces that the thermoelectric plant under construction in Matanzas Province will save over 100,000 tons of petroleum annually. The 330-megawatt plant will begin operation in 1986.

Castro arrives in Nicaragua to attend the inauguration of President Ortega.

11 January

Minister of Culture Hart receives Argentine Culture Secretary Gorostiza at Jose Marti International Airport. Gorostiza is visiting at Hart's invitation.

Nicaraguan President Ortega awards the Augusto Cesar Sandino Order, the Battle of San Jacinto grade to Castro at the ceremony opening the new Victoria de Julio sugar mill.

Castro meets in Managua with Egon Krenz, East German Council of State deputy chairman. Castro praises relations between the two countries.

In a meeting with Carlos Rafael Rodriguez and J. Bolanos, Helmut Schaefer asks if Cuba would send MIGs to Nicaragua in the event of invasion. They answer: "No. Each country must defend itself."

US Congressmen William Alexander, Jim Leach, and Mickey Leland arrive in Havana to discuss broadening relations, especially in ocean research, and the extradition of convicted murderer Labeet.

12 January

At a meeting with representatives of the Contadora nations in Nicaragua, Castro says that peace in Central America is possible and that his country is willing to assist in the effort.

Minister of Health del Valle announces in Geneva that Cuba has withdrawn its invitation to host the 1986 annual conference of the World Health Organization.

Castro meets in Managua with Argentine Vice President Martinez and discusses prospects for a trade exchange between the two countries.

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15 January

Helmut Schaefer says he received assurances from Havana that all Cuban military advisers in Nicaragua will be withdrawn if the Contadora peace plan becomes effective.

Eduardo Viera, member of the Political Bureau of the Communist Party of Uruguay, says he is optimistic about the resumption of relations with Cuba.

Guyana's Minister of Education Parris says his country will send mathematics teachers to Cuba to work with English-speaking students in secondary schools on the Isle of Youth.

16 January

US Congressman Alexander says that "Everything Castro has done in our presence . . . the hospitality and friendship shown to us as US representatives indicate that he wants better relations."

17 January

In his news conference Alexander also says "Castro said he is willing to sit down and have talks with the United States on a peaceful political solution to the situation in Nicaragua."

18 January

Maritime service between Argentina and Cuba officially opens with the arrival of the Argentine ship "Rio Abaucan" in the port of Havana. Guillermo Garcia greets the delegation aboard the ship.

Carlos Rafael Rodriguez and Isidoro Malmierca receive Abdul G. Koroma, who presents his credentials as Ambassador of the Republic of Sierra Leone.

During a meeting of the Executive Secretariat for Nuclear Affairs, Fidel Castro Diaz Balart says Cuba will initiate work in the peaceful use of atomic energy during the next five-year period.

Cuba and Spain sign an agreement at the Second Session of the Cuban-Spanish Joint Commission of Cultural and Education Cooperation for 1985-87 in Havana.

19 January

Minister of Light Industry Millares tells the press in Camaguey that Cuba will increase its light industry exports this year by almost 4 percent over 1984.

A Cubana jet bound for Nicaragua crashes after takeoff from Havana's International Airport. All aboard are killed. Alexandra Pollack, a leading American Communist, is among the dead.

A Soviet naval flotilla that has been in Cuba since 28 December ends its "official and friendly" visit to Cuba.

In an interview in *El País*, Castro says there are more than 2,000 Cuban doctors and health technicians in more than 25 Third World countries.

20 January

In the *El País* interview, Castro says President Reagan is showing signs he wants to go down in history as a "President of Peace."

Secret

21 January Politburo member Machado Ventura tells *Granma* that the emphasis placed this year on the working goals of the base organizations of the PCC is contained in Fidel's notions on Cuban economy.

22 January Foreign Minister Malmierca and Swiss Ambassador to Cuba, Peter Hellenber, sign a protocol in Havana to extend the trade agreement and an accord to reschedule Cuba's debt with Switzerland.

Soviet-Cuban economic and technical cooperation are discussed at a meeting in Moscow between M. A. Sergeychik, Chairman of the State Committee for Foreign Economic Relations, and Ricardo Cabrizas.

23 January Guyana's Minister of Health van West-Charles and Cuban Agricultural Minister Diaz sign an economic and technical agreement in Guyana to establish schools of medicine and language.

The President of the Brazilian National Confederation of Commerce meets in Brasilia with President-elect Neves to request the reestablishment of commercial relations with Cuba.

Fidel Castro, Carlos Rafael Rodriguez, and Isidoro Malmierca discuss bilateral relations and exchange views on regional problems with Iranian Prime Minister Mir Hoseyn Musavi during his stopover en route to Nicaragua.

24 January Vice Minister of Foreign Trade Castillo and his Bulgarian counterpart Marin Marinov sign a 1985 bilateral trade protocol.

25 January Cuba and Bulgaria sign a trade protocol for 1985 in Havana. Cuba will receive machines, equipment, foodstuffs, fertilizers, and consumer goods.

Cuba and Czechoslovakia sign a trade protocol in Prague that will increase commerce between the two countries by more than 5 percent. Ricardo Cabrizas signs the agreement for Cuba.

In a Havana press conference Bishop Malone, President of the National Conference of Catholic Bishops, says Castro expressed willingness to meet with Pope John Paul II in Cuba or Rome.

The *Boston Herald* reports that Castro talked to the delegation from the US National Conference of Catholic Bishops about Cuba's educational system.

26 January The US Catholic bishops returning from Cuba say they are mildly encouraged by improvements in church-state relations, but expressed concern over religious discrimination in Cuba.

29 January NBC news in Washington says that Robert Vesco is smuggling high-technology computer and communications equipment to Cuba, Nicaragua, and East Bloc countries in exchange for sanctuary in Cuba.

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Carlos Rafael Rodriguez and Isidoro Malmierca receive Lamin Sougouli, who presents his credentials accrediting him as Ambassador of Guinea.

Leader of Mexico's Chamber of Deputies Humberto Lugo meets with a Cuban delegation, headed by Luis Mendez Morejon, in Mexico City to discuss bilateral matters and Central America.

31 January

Archbishop Jaime Ortega of Havana tells Reuter that talks with Castro will take place in a few months about ways of improving relations between the church and government.

The 11th plenum of the Central Committee is held in Havana. Fidel Castro speaks on Cuba's foreign policies. The following announcements were made during the plenum:

- Antonio Perez Herrero is released from the office of alternate Politburo member and as a member of the Central Committee Secretariat.
- Jose Ramon Balaguer is designated a new Secretariat member responsible for the departments of Education, Science, and Sports.
- Jorge Risquet is designated to head the Central Committee's Department of Revolutionary Orientation (DOR) and the Department of Culture.
- Carlos Aldana Escalante is appointed the new director of the Department of Revolutionary Orientation.



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